



**Universal Service Administrative Company**  
Schools & Libraries Division

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**Administrator's Decision on Appeal – Funding Year 2014-2015**

October 10, 2014

Aaron Thornsberry  
Gateway Community Charters  
5726 Dudley Blvd  
McClellan, CA 95652

Re: Applicant Name: GATEWAY COMMUNITY CHARTERS  
Billed Entity Number: 16061171  
Form 471 Application Number: 937991  
Funding Request Number(s): 2561196  
Your Correspondence Dated: September 05, 2014

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of USAC's Funding Year 2014 Funding Commitment Decision Letter for the Application Number indicated above. This letter explains the basis of USAC's decision. The date of this letter begins the 60 day time period for appealing this decision. If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

Funding Request Number(s): 2561196  
Decision on Appeal: **Denied**  
Explanation:

- On appeal, we have reviewed the submitted documentation for your Funding Year 2014 FCC Form 471 application 937991 and determined that FRN 2561196 will be denied. Based on the documentation you provided, you failed to demonstrate that either an extension was entered into for the services provided under this FRN, or the original contract included a provision for a multi-year term or extensions. This is a violation of the competitive bidding program rules. Since you have failed to demonstrate on appeal that USAC has erred in its initial decision the appeal is denied.
- You selected your vendor for new products and/or services prior to the expiration of the 28 day posting period. FCC rules require that except under limited circumstances, all FCC Forms 470 received be posted on the USAC website for 28 days, and that applicants carefully consider all bids received before selecting a

vendor, entering into an agreement or signing a contract, and signing and submitting an FCC Form 471. *See* 47 C.F.R. secs. 54.503(b) and (c), 54.511(a) and (c). FCC rules further require that the Administrator send the applicant a confirmation when the FCC Form 470 has been posted, and inform the applicant of the earliest date upon which they may sign a contract with the vendor it selects. *See* 47 C.F.R. sec. 54.503(c)(4). These competitive bidding requirements help to ensure that applicants receive the lowest pre-discount price from vendors. *See* Federal-State Joint Board on Universal Service, CC Docket No. 96-45, Order on Reconsideration, 12 FCC Rcd 10095, 10098, FCC 97-246 para. 9 (rel. Jul. 10, 1997). New products and/or services include tariff, month to month and services for which a new written contract is sought for the current funding year.

Since your appeal was denied in full, dismissed or cancelled, you may file an appeal with the FCC. Your appeal must be postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found under the Reference Area/"Appeals" of the SLD section of the USAC website or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience and cooperation during the appeal process.

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